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Thatcher Meets Reagan This Week

Arms Control Talks, Deficits on Agenda

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LONDON—Prime Minister Margaret Thatcher heads for Washington this week to discuss with President Reagan the U.S. approach to coming arms control talks, address a joint meeting of Congress, and reiterate concern over the impact abroad of huge U.S. budget deficits.

Thatcher, in her speech on Wednesday, will be the first British prime minister to address a joint meeting of the House and Senate since Winston Churchill did so in 1952.

In an interview Friday with American correspondents here, the chairman of Thatcher's Conservative Party, John Selwyn Gummer, was sharply critical of U.S. fiscal policy. "America is importing the savings of the rest of the world and exporting inflation, and I think we've got to say that," Gummer said.

He said the U.S. government had a "responsibility to reduce its deficits," which were draining capital from around the world to finance it, and forcing high interest rates and weakened currencies abroad. He said this policy was weakening the allies and their ability to become economically stronger and that was "a mistake for America."

He also said he had no doubt that the problems caused by the deficits were making it more difficult for pro-American governments such as Britain's "to bring along public opinion" in support of other U.S. policies.

Despite Gummer's comments, however, government officials said Thatcher would not go to Washington "with her handbag flailing" over the deficit issue.

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The meeting with Reagan, the officials said, would be primarily to discuss the U.S. approach to the new arms control talks with the Soviet Union that open in Geneva on March 12.

Former senator John G. Tower, who heads one of the U.S. negotiating teams, said at a press conference here last Monday that "we have not formulated a negotiating position at this time."

Officials also said the British were anxious "to get things moving again in the Middle East."

Aside from the deficit issue, U.S.-British relations are widely viewed here as harmonious, especially in contrast to last year, when Britain openly criticized the U.S. invasion of Grenada and the CIA mining of Nicaraguan ports.

After Thatcher met for an hour with visiting Nicaraguan Vice President Sergio Ramirez Feb. 8, reporters were told that she had criticized his government for supporting repression, expressed concern about its arms buildup and said future relations with Britain would be determined by a scaling down of arms and progress toward "genuine democracy."

Britain, along with Belgium, also offered last week to help train officers of the Salvadoran Army.

Thatcher, the allied leader closest to Reagan, undoubtedly will get a warm welcome in official Washington. But she will arrive after one of her worst weeks in Britain. The prime minister, who celebrated 10 years as party leader on Monday, was rocked by the polls, the pound and a civil servant named Clive Ponting.

Two major opinion polls showed the most serious cracks in support for Thatcher and her party in about three years. The Gallup poll showed only 35 percent of voters would vote Conservative today, a drop of 9½ points since November.

Labor got 32 percent and the alliance of Social Democrats and Liberals made the biggest gain, up to 31.5 percent from 23.5.

The Gallup poll showed the Conservatives still comfortably ahead of other parties, with 45 percent, when voters were asked which party had the best leaders. Yet only 38 percent said they were satisfied with Thatcher's personal perform-